

ND RISK MANAGEMENT FUND

State Investment Board Balance Sheet As of 6/30/2007

	As of <u>6-30-07</u>	As of <u>6-30-06</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,099,925	\$ 979,910
DOMESTIC FIXED INCOME	2,364,722	2,181,433
INVESTED CASH (NOTE 1)	<u>185,019</u>	<u>52,711</u>
TOTAL INVESTMENTS	3,649,666	3,214,054
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	48,522	50,799
MISCELLANEOUS RECEIVABLE	<u>5</u>	<u>4</u>
TOTAL RECEIVABLES	48,527	50,803
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (I	500,061	743,028
OPERATING CASH	<u>167</u>	<u>145</u>
TOTAL ASSETS	<u><u>\$ 4,198,421</u></u>	<u><u>\$ 4,008,030</u></u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	500,061	743,028
ACCOUNTS PAYABLE	22	19
ACCRUED EXPENSES	45	43
INVESTMENT EXPENSE PAYABLE	<u>2,497</u>	<u>1,741</u>
TOTAL LIABILITIES	502,625	744,831
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,263,199	2,438,276
RESTATEMENT AMOUNT	0	(15)
CASH IN DURING YEAR (NOTE 3)	1,000,000	1,250,000
CASH OUT DURING YEAR (NOTE 4)	950,000	500,000
NET INCREASE (DECREASE)	<u>382,597</u>	<u>74,938</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>3,695,796</u>	<u>3,263,199</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u><u>\$ 4,198,421</u></u>	<u><u>\$ 4,008,030</u></u>

ND RISK MANAGEMENT FUND

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2007

	Month Ended <u>6-30-07</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 12,261	\$ 147,869
SECURITIES LENDING INCOME	<u>2,722</u>	<u>32,833</u>
	14,983	180,702
 GAIN ON SALE OF INVESTMENTS	 72,160	 450,672
LOSS ON SALE OF INVESTMENTS	<u>49,600</u>	<u>289,137</u>
 NET GAINS (LOSSES) INVESTMENTS	 22,560	 161,535
 INVESTMENT EXPENSES	 904	 8,593
SECURITIES LENDING EXPENSES	2,640	31,970
 NET INVESTMENT INCOME	 33,999	 301,674
 NET APPREC (DEPREC) MARKET VALUE	 (69,853)	 81,702
MISCELLANEOUS INCOME/(EXPENSE)	<u>8</u>	<u>221</u>
 TOTAL INVESTMENT INCOME	 <u>(35,846)</u>	 <u>383,597</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	209	1,000
 NET INCREASE (DECREASE)	 <u>\$ (36,055)</u>	 <u>\$ 382,597</u>

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Notes To Financial Statements
June 30, 2007

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.